

# Exhibit S

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# Crypto intermediaries should register with U.S. SEC, agency chair says

By Michelle Price



**[1/2]** The seal of the U.S. Securities and Exchange Commission (SEC) is seen at their headquarters in Washington, D.C., U.S., May 12, 2021. REUTERS/Andrew Kelly



WASHINGTON, Sept 8 (Reuters) - Companies that help facilitate transactions in the cryptocurrency market should register with the U.S. Securities and Exchange Commission (SEC) just like other market intermediaries, the agency's chair said on Thursday.

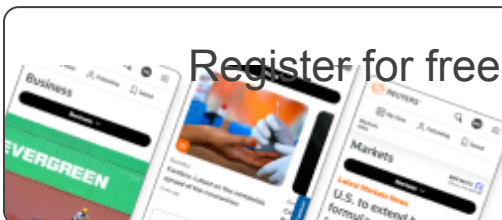
Gary Gensler said intermediaries in the crypto market provide a range of functions regulated by the SEC, including operating as an exchange, broker dealer, clearing agent and custodian, and should be registered accordingly.

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"If you fall into any of these buckets, come in, talk to us, and register," Gensler told an audience of attorneys in Washington, D.C., reiterating that the vast majority of crypto tokens qualify as securities and are captured by relevant laws.



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"The commingling of the various functions within crypto intermediaries creates inherent conflicts of interest and risks for investors," he added.

While Gensler has previously said crypto lenders fall under the SEC's purview, his comments provide more detail on other crypto market actors the SEC believes fall within its jurisdiction.

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The comments will likely spook crypto market participants who had hoped to avoid the costly requirements typically associated with SEC registration, including disclosures, risk management controls and capital and liquidity minimums, although it remains to be seen if such firms will voluntarily comply.

Gensler said he has asked SEC staff to work with crypto intermediaries to ensure they register each of their functions, which could involve splitting them out into separate legal entities to mitigate conflicts of interest.

He added, however, that the SEC may need to be flexible in applying existing disclosure requirements, noting tailored product disclosures exist elsewhere under the SEC's regime.

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Reporting by Michelle Price; Additional reporting by Hannah Lang; Editing by Josie Kao